

**SPRINGFIELD MUNICIPAL COURT
SPRINGFIELD, SOUTH CAROLINA**

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON
PROCEDURES**

FOR THE YEAR ENDED JUNE 30, 2017

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April 26, 2018

The Honorable Sandra Sims, Clerk of Court
Springfield Municipal Court
Springfield, South Carolina

This report resulting from the application of agreed-upon procedures to the accounting records of the Town of Springfield Municipal Court System as of and for the year ended June 30, 2017, was issued by Steven L. Blake, CPA, under contract with the South Carolina Office of the State Auditor.

If you have any questions regarding this report, please let us know.

Respectfully submitted,

George L. Kennedy, III, CPA
State Auditor

GLKIII/cwc

STEVEN L. BLAKE, CPA

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

April 26, 2018

Mr. George L. Kennedy, III, CPA
State Auditor
State of South Carolina
Columbia, South Carolina

Sandra Sims, Clerk of Court
Springfield Municipal Court
Springfield, South Carolina

I have performed the procedures described below, which were agreed to by the South Carolina Office of the State Auditor and Town of Springfield, on the systems, processes, and behaviors related to court fines and fees of the Town of Springfield for the period July 1, 2016 through June 30, 2017, in the areas addressed. The Town of Springfield and the Springfield Municipal Court are responsible for the systems, processes, and behaviors related to court fines and fees. The sufficiency of these procedures is solely the responsibility of the South Carolina Office of the State Auditor and the Town of Springfield and the Springfield Municipal Court. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which the agreed-upon procedures report has been requested or for any other purpose.

The procedures and the associated findings are as follows:

1. Clerk of Court

- I gained an understanding of the policies and procedures established by the Clerk of Court to confirm timely reporting by the Clerk of Court's Office.
- I obtained the court dockets or equivalents from the Clerk of Court. I judgmentally selected 25 cases from the court dockets and I confirmed the fine assessed adhered to State law. I also recalculated the fine, fee, assessment and surcharge calculation to confirm that the fine, fee, assessment and surcharge were properly calculated and allocated in accordance with applicable State law and the South Carolina Court administration fee memoranda.
- I inspected the court receipt transactions for the above cases to confirm that the fine, fee, assessment and surcharges assessed adhered to State law and the South Carolina Court administration fee memoranda and that the receipts were allocated in accordance with applicable State law.

Mr. George L. Kennedy, III, CPA, State Auditor
and
Sandra Sims, Clerk of Court
Springfield Municipal Court
April 26, 2018

Findings

Timely Submission of State Treasurer's Revenue Remittance Form

The Clerk was late in submitting the State Treasurer's Revenue Remittance Form [STRRF] three times and was from three to twenty-eight days late for the procedures period. I also compared STRRF submissions for the 12 months ended June 30, 2016 and noted September 2015 was not submitted. See **Calculation of Over/(Under) Reported Amounts**.

2. Municipal Treasurer

- I gained an understanding of the policies and procedures established by the Municipal treasurer to confirm timely reporting by the Municipality.
- I inspected all monthly court remittance forms or equivalents to confirm that the forms were completed in accordance with instructions and submitted timely in accordance with State law.
- I agreed the amounts reported on the monthly remittance forms or equivalents to the Municipality's support.
- I inspected the Municipality's support to confirm that the Municipality properly classified fine, fee, assessment, and surcharge receipts.
- I inspected all State Treasurer's Revenue Remittance Forms (STRRF) for the period July 1, 2016 through June 30, 2017 and agreed the amounts reported on the STRRF to the court remittance forms or equivalents.
- I agreed the amounts reported by the Municipality on its supplemental schedule of fines and assessments, as reported in the annual financial statement audit to the Municipality's general ledger. The June 30, 2015 annual financial statement audit was the latest available audit.
- I inspected the Municipality's supplemental schedule of fines and assessments, as reported in the annual financial statement audit, to confirm that it contained all the elements required by State law. The June 30, 2015 annual financial statement audit was the latest available audit.

Mr. George L. Kennedy, III, CPA, State Auditor
and
Sandra Sims, Clerk of Court
Springfield Municipal Court
April 26, 2018

Findings

Supplemental Schedule

I was unable to trace the information reported in the Supplemental Schedule for the June 30, 2015 audited financial statements to the Town's general ledger. The current Mayor stated that the previous years' records were inaccessible due to insufficient recordkeeping and record retention policies.

3. Victim Assistance

- I gained an understanding of the policies and procedures established by the Municipality to confirm proper accounting for victim assistance funds.
- I made inquiries and confirmed that any funds retained by the Municipality for victim assistance were deposited into a separate account.
- I judgmentally selected expenditures to confirm that the Municipality expended victim assistance funds in accordance with State law and the South Carolina Court administration fee memoranda.
- I inspected the Municipality's victim assistance financial activity on the supplemental schedule of fines and assessments, as reported in the annual financial statement audit, and confirmed that it adhered to and included items required by State law.
- I agreed the amounts reported by the Municipality on its supplemental schedule of fines and assessments, as reported in the annual financial statement audit, applicable to the Victim Assistance Fund, to the Municipality's general ledger or subsidiary ledgers or equivalent.
- I inspected the Municipality's victim assistance account to confirm the Victim Assistance fund balance was retained as of July 1 from the previous fiscal year in accordance with State law.

Findings

Mr. George L. Kennedy, III, CPA, State Auditor
and
Sandra Sims, Clerk of Court
Springfield Municipal Court
April 26, 2018

Victim Assistance Deposits

The Town had not made all required deposits. I compared amounts deposited to amounts required to be deposited per the STRRF for the 24 months ended June 30, 2017 and determined the Town had not deposited September and October 2015. This amounted to \$342.60 owed to the Victims Assistance fund. I also compared additional deposits made during the 24 months ended June 30, 2017 to the balance owed at June 30, 2015 and recalculated the net amount of Victim Assistance owed by the Town as of June 30, 2017. That result is reported in **Calculation of (Over)/Under Reported Amounts**.

Victim Assistance Fund Balance

The Victim Assistance fund balance reported on the June 30, 2015 Supplemental Schedule in the latest available audited financial statement did not agree to the June 30, 2015 bank balance by \$44,996.

4. Status of Prior Findings

- I inquired with management and governance of the Municipality about the status of findings reported in the Accountant's Comments section of the Independent Accountant's Report on the Municipality resulting from an engagement for the period ended June 30, 2015, to confirm that the Municipality had taken adequate corrective action.

Findings

The Town has taken adequate corrective action on the Adherence to Fine Guidelines and Installment Fee findings. The Timely Filing and Victim Assistance findings will be repeated but I noted improvement in these areas. I noted that all but one of the STRRF were submitted in a 24-month period where the prior finding had 10 unsubmitted forms in a 12-month period. The timeliness has also improved from eight late filings to three. The Victim Assistance fund balance difference increased by \$5090, the June 30, 2015 fiscal year revenues. However, deposits were made after June 30, 2015 for this fiscal year which decreased this deficit. See **Calculation of (Over)/Under Reported Amounts** for improvements to the Victim Assistance balance owed. A discrepancy remains in the Supplemental Schedule fund balance amount and the bank balance however.

Mr. George L. Kennedy, III, CPA, State Auditor
and
Sandra Sims, Clerk of Court
Springfield Municipal Court
April 26, 2018

5. Calculation of (Over)/Under Reported Amounts

• I inspected copies of monthly State Treasurer Revenue Remittance Forms] for the 24-month period ended June 30, 2017, which the Municipality prepared for submission to the South Carolina Office of the State Treasurer and compared those to the actual submissions. I also compared additional submissions made during this period and compared those to the balances owed at June 30, 2015. I calculated the amount (over)/under reported by the Clerk of Court for the period ended June 30, 2017.

Findings

The amounts (over)/under that are due to the State Treasurer reported by STRRF line item is listed in the schedule below:

STRRF LINE	DESCRIPTION	AMOUNT
F.	Municipal DUS DPS Pullout - \$100	715.33
G.	Municipal DUI Assessment - \$12 per case	12.00
H.	Municipal DUI Surcharge - \$100 per case	100.00
I.	Municipal DUI DPS Pullout - \$100	100.00
J.	Municipal Drug Surcharge - \$150 per case	750.00
K.	Municipal Law Enforcement Surcharge - \$25	23,384.43
KA.	Criminal Justice Academy Surcharge - \$5	4,676.88
L.	Municipal – 107.5%	<u>43,396.47</u>
M.	TOTAL REVENUE DUE TO STATE TREASURER	<u>79,135.11</u>
N.	Assessments - Municipal	677.70
O.	Municipal Victim Surcharge	<u>-</u>
P.	TOTAL RETAINED FOR VICTIM SERVICES	<u>677.70</u>

Mr. George L. Kennedy, III, CPA, State Auditor
and
Sandra Sims, Clerk of Court
Springfield Municipal Court
April 26, 2018

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. I was not engaged to and did not conduct an examination or review, the objective of which would be an opinion or conclusion, respectively, on the systems, processes, and behaviors related to court fines and fees of the Town of Springfield and the Town of Springfield Municipal Court. Accordingly, I do not express an opinion or conclusion. Had I performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Governor, Chairman of the House Ways and Means Committee, Senate Finance Committee, House Judiciary Committee, Senate Judiciary Committee, members of the Springfield Municipal Council, Springfield Municipal Clerk of Court, Springfield Municipal Treasurer, State Treasurer, State Office of Victim Assistance, and the Chief Justice and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Steven L. Blake, CPA